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**Congress of the United States**  
**House of Representatives**  
**COMMITTEE ON WAYS AND MEANS**

WASHINGTON, DC 20515

**SUBCOMMITTEE ON OVERSIGHT**

May 3, 2012

Acting Administrator Daniel M. Tangherlini  
U.S. General Services Administration  
One Constitution Square  
1275 First Street, NE  
Washington, DC 20417

Dear Acting Administrator Tangherlini:

As Chairman of the House Committee on Ways and Means Subcommittee on Oversight, I have the responsibility to conduct oversight of tax administration. This includes reviewing the use of certain tax deductions by federal departments and agencies. I write today regarding your Agency's use of the Energy Efficient Commercial Buildings Deduction, commonly referred to as the 179D deduction.

The Energy Policy Act of 2005 created the 179D deduction to encourage the construction of energy efficient buildings. For energy efficient buildings owned by the Federal government, Internal Revenue Code section 179D(d)(4) allows for the allocation of the deduction to the entity primarily responsible for designing the property as a form of remuneration. However, documents recently reviewed by Committee staff suggest that certain Departments are requiring contractors to pay back a certain percentage of the deduction for investments in "additional energy-efficiency projects."

To help the Subcommittee better understand the Agency's use of the 179D deduction, I ask that you provide the following information by no later than May 18, 2012. For all questions, respond regarding activity from January 1, 2008, to the date of this letter.

1. Copies of all letters the Department has sent to contractors or other entities regarding the 179D deduction;
2. The total amount of deductions the Department has allocated, as well as a detailed breakdown of allocations by project that lists the address of the property, the contractor(s) or other entities receiving allocations, and the amount of the deductions;
3. For each of the deductions listed in response to Question 2, answer whether the Department requested or received a percentage of the deduction amount from the

contractor or other entities allocated the deduction, and provide all documents related to that request or agreement;

4. For all amounts received from the contractors or other entities allocated the deduction, describe in detail:
  - a. The Department accounts into which the money was deposited; and
  - b. How the Department used these funds. In answering this question, provide a detailed accounting for the funds used, the office that allocated the funds; and the officials responsible for the allocation.

If you have any questions, please contact [REDACTED] at (202) 225-5522.



Charles Boustany, Jr., MD  
Chairman